

**CHARTER SCHOOL** PACE Preparatory Academy, Inc.  
Charter Name

\_\_\_\_\_   
d.b.a. (as applicable)

### **FY 2018**

## **STATE OF ARIZONA**

### **CHARTER SCHOOL ANNUAL BUDGET**

Adopted

Version

BY THE GOVERNING BOARD

We hereby certify that the Budget for the School Year 2018 was

Proposed	<u>June 9, 2017</u>
Adopted	<u>June 23, 2017</u>
Revised	_____
	Date

We further attest that the Budget for Fiscal Year 2018, including the detailed information on Budget page 2, meets the requirements of Laws 2017, Ch. 305, §33, pertaining to the intended 1.06 percent teacher salary increase.

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
SIGNED	TITLE

**COUNTY** Yavapai \_\_\_\_\_ **C**

### REVENUES

1. TOTAL BUDGETED REVENUES FOR FISCAL YEAR 20
2. **ESTIMATED REVENUES BY SOURCE FOR FISCAL YE**

Local
Intermediate
State
Federal
TOTAL

Charter School Contact Employee: \_\_\_\_\_ Will  
Telephone: 928-300-5378 Email: \_\_\_\_\_

The budget file(s) for FY 2018 uploaded to the Arizona De  
\_\_\_\_\_ contain(s) the data for the budget (

\_\_\_\_\_  
School Official Signature

\_\_\_\_\_  
School Official (Typed Name)



EXPENSES		Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6600	Other 6800	Tot
							Prior Year 2017
1000 Schoolwide Project							
100 Regular Education							
1000 Instruction	1.	178,009	64,622		24,331	10,125	315,396
Support Services							
2100 Students	2.	31,000	6,820	3,380			38,760
2200 Instruction	3.						0
2300 General Administration	4.				515		300
2400 School Administration	5.	40,460	18,501	94,685		1,392	141,208
2500 Central Services	6.			42,450	4,000	100	46,100
2600 Operation & Maintenance of Plant	7.			207,692	5,000		213,076
2900 Other Support Services	8.						0
3000 Operation of Noninstructional Services	9.						0
4000 Facilities Acquisition & Construction	10.						0
5000 Debt Service	11.			42,800			41,691
610 School-Sponsored Cocurricular Activities	12.						0
620 School-Sponsored Athletics	13.						0
630, 700, 800, 900 Other Programs	14.						0
Subtotal (lines 1-14)	15.	249,469	89,943	391,007	33,846	11,617	796,531
<b>200 Special Education</b>							
1000 Instruction	16.			30,100			35,387
Support Services							
2100 Students	17.						1,200
2200 Instruction	18.						0
2300 General Administration	19.						0
2400 School Administration	20.						0
2500 Central Services	21.						0
2600 Operation & Maintenance of Plant	22.						0
2900 Other Support Services	23.						0
3000 Operation of Noninstructional Services	24.						0
4000 Facilities Acquisition & Construction	25.						0
5000 Debt Service	26.						0
Subtotal (lines 16-26)	27.	0	0	30,100	0	0	36,587
400 Pupil Transportation	28.	15,120	3,326	1,500	3,500		20,684
530 Dropout Prevention Programs	29.						0
540 Joint Career & Technical Ed. & Vocational Ed. Center	30.						0
<b>550 K-3 Reading</b>	31.						0
Subtotal (lines 15 and 27-31)	32.	264,589	93,269	422,607	37,346	11,617	853,802
Classroom Site Projects (from page 3, line 40)	33.	58,100	2,452	750	0		51,725
Instructional Improvement Project (from page 2, line 5)	34.						4,459
Structured English Immersion Project (from page 4, line 11)	35.	0	0	0	0	0	0
Compensatory Instruction Project (from page 4, line 22)	36.	0	0	0	0	0	0
<b>Federal and State Projects (from page 2, line 32)</b>	37.						34,330

Totals		
Budget Year 2018	% Increase/ Decrease	
277,087	-12.1%	1.
41,200	6.3%	2.
0		3.
515	71.7%	4.
155,038	9.8%	5.
46,550	1.0%	6.
212,692	-0.2%	7.
0		8.
0		9.
0		10.
42,800	2.7%	11.
0		12.
0		13.
0		14.
775,882	-2.6%	15.
30,100	-14.9%	16.
0	-100.0%	17.
0		18.
0		19.
0		20.
0		21.
0		22.
0		23.
0		24.
0		25.
0		26.
30,100	-17.7%	27.
23,446	13.4%	28.
0		29.
0		30.
0		31.
829,428	-2.9%	32.
61,302	18.5%	33.
4,169	-6.5%	34.
0		35.
0		36.
27,858	-18.9%	37.

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Total (lines 32-37)	38.	322,689	95,721	423,357	37,346	11,617	944,316
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| 922,757 | -2.3% | 38.

**FEDERAL AND STATE PROJECTS**

**1100-1399 FEDERAL PROJECTS**

	Prior Year 2017	Budget Year 2018
1. 1100-1130 ESEA Title I-Helping Disadvantaged Children	20,370	11,914
2. 1140-1150 ESEA Title II-Prof. Dev. And Technology	3,929	7,018
3. 1160 ESEA Title IV-21st Century Schools	0	
4. 1170-1180 ESEA Title V-Promote Informed Parent Choice	0	
5. 1190 ESEA Title III-Limited Eng. & Immigrant Students	0	
6. 1200 ESEA Title VII-Indian Education	0	
7. 1210 ESEA Title VI-Flexibility and Accountability	0	
8. 1220 IDEA, Part B	10,031	8,926
9. 1230 Johnson-O'Malley	0	
10. 1240 Workforce Investment Act	0	
11. 1250 AEA-Adult Education	0	
12. 1260-1270 Vocational Education-Basic Grants	0	
13. 1280 ESEA Title X-Homeless Education	0	
14. 1290 Medicaid Reimbursement	0	
15. 1300 Charter School Implementation Proj. (Stimulus)	0	
16. 13__ Impact Aid	0	
17. 1310-1399 Other Federal Projects	0	
18. Total Federal Projects (lines 1-17)	34,330	27,858

**1400-1499 STATE PROJECTS**

19. 1400 Vocational Education	0	
20. 1410 Early Childhood Block Grant	0	
21. 1420 Extended School Year-Pupils with Disabilities	0	
22. 1425 Adult Basic Education	0	
23. 1430 Chemical Abuse Prevention Programs	0	
24. 1435 Academic Contests	0	
25. 1450 Gifted Education	0	
26. 1456 College Credit Exam Incentives		
27. 1457 Results-based Funding		
28. 1460 Environmental Special Plate	0	
29. 1465 Charter School Stimulus Fund	0	
30. 1470-1499 Other State Projects	0	
31. Total State Projects (lines 19-30)	0	0
32. Total Federal and State Projects (lines 18 and 31)	34,330	27,858

**CAPITAL ACQUISITIONS**

	Prior Year	Budget Year
1. 0191 Land and Land Improvements	0	
2. 0192 Site Improvements	0	
3. 0194 Buildings and Building Improvements	0	
4. 0196 Equipment	5,000	5,000
5. 0198 Construction in Progress	0	
6. Total Capital Acquisitions (lines 1-5)	5,000	5,000

**SPECIAL EDUCATION PROGRAMS BY TYPE**

1. Total All Disability Classifications
2. Gifted Education
3. ELL Incremental Costs
4. ELL Compensatory Instruction
5. Remedial Education
6. Vocational and Technological Ed.
7. Career Education
8. Total (lines 1-7)

**INSTRUCTIONAL IMPROVEMENT PROJECT**

Indicate amounts budgeted in Project 1020 for the following

1. Teacher Compensation Increases
2. Class Size Reduction
3. Dropout Prevention Programs
4. Instructional Improvement Programs
5. Total Instructional Improvement (lines 1-4)

**PROPOSED RATIOS FOR  
SPECIAL EDUCATION**

Teacher-Pupil	1 to	<u>20.0</u>
Staff-Pupil	1 to	<u>15.0</u>

**STATE EQUALIZATION ASSISTANCE BUDGETED  
FOR FOOD SERVICE EXPENSES**

Enter the amount of State Equalization Assistance budgeted for Food Service, Function 3100:

**ADDITIONAL TEACHER SALARY INCREASES (LAWS 2017,**

1. Number of teachers eligible for increase (FY 2018 Head C
2. Number of teachers eligible for increase (FY 2018 FTE)
3. Total FY 2018 eligible teachers' salaries before 1.06% sal
4. Total FY 2017 eligible teachers' salaries
5. 1.06% salary increase (line 4 times 1.06%)
6. Employer share of retirement system expense for increas
7. Employer share of FICA expense for increase on line 5
8. Total amount needed to fund lines 5-7 (sum lines 5-7) (to

Program 200 Prior Year 2017	Program 200 Budget Year 2018	
36,587	30,100	1.
0		2.
0		3.
0		4.
0		5.
0		6.
0		7.
36,587	30,100	8.

ng:

Prior Year 2017	Budget Year 2018	
0		1.
0		2.
0		3.
4,459	4,169	4.
4,459	4,169	5.

**SELECTED EXPENSES BY TYPE**

(Must be included on page 1)

Audit Services	10,500
Classroom Instruction	

**CH. 305, §33)**

Count)	4	1.
	4	2.
Salary increase	199,000	3.
	199,000	4.
	2,109	5.
See on line 5	242	6.
	161	7.
W.S. C, Line X)	2,512	8.



7. Total Capital Acquisitions, if any, budgeted on lines 1-5 above for the K-3 Reading Program

	0	
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7.



Expenses		Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6600	Totals		% Increase/ Decrease	
						Prior Year 2017	Budget Year 2018		
<b>Classroom Site Project 1011 - Base Salary</b>									
100 Regular Education									
1000 Instruction	1.	12,260				10,345	12,260	18.5%	1.
2100 Support Services - Students	2.					0	0		2.
2200 Support Services - Instruction	3.					0	0		3.
Program 100 Subtotal (lines 1-3)	4.	12,260	0			10,345	12,260	18.5%	4.
200 Special Education									
1000 Instruction	5.					0	0		5.
2100 Support Services - Students	6.					0	0		6.
2200 Support Services - Instruction	7.					0	0		7.
Program 200 Subtotal (lines 5-7)	8.	0	0			0	0		8.
Other Programs (Specify) _____									
1000 Instruction	9.					0	0		9.
2100 Support Services - Students	10.					0	0		10.
2200 Support Services - Instruction	11.					0	0		11.
Other Programs Subtotal (lines 9-11)	12.	0	0			0	0		12.
<b>Total Expenses (lines 4, 8, and 12)</b>	<b>13.</b>	<b>12,260</b>	<b>0</b>			<b>10,345</b>	<b>12,260</b>	<b>18.5%</b>	<b>13.</b>
<b>Classroom Site Project 1012 - Performance Pay</b>									
100 Regular Education									
1000 Instruction	14.	22,069	2,452			20,690	24,521	18.5%	14.
2100 Support Services - Students	15.					0	0		15.
2200 Support Services - Instruction	16.					0	0		16.
Program 100 Subtotal (lines 14-16)	17.	22,069	2,452			20,690	24,521	18.5%	17.
200 Special Education									
1000 Instruction	18.					0	0		18.
2100 Support Services - Students	19.					0	0		19.
2200 Support Services - Instruction	20.					0	0		20.
Program 200 Subtotal (lines 18-20)	21.	0	0			0	0		21.
Other Programs (Specify) _____									
1000 Instruction	22.					0	0		22.
2100 Support Services - Students	23.					0	0		23.
2200 Support Services - Instruction	24.					0	0		24.
Other Programs Subtotal (lines 22-24)	25.	0	0			0	0		25.
<b>Total Expenses (lines 17, 21, and 25)</b>	<b>26.</b>	<b>22,069</b>	<b>2,452</b>			<b>20,690</b>	<b>24,521</b>	<b>18.5%</b>	<b>26.</b>
<b>Classroom Site Project 1013 - Other</b>									
100 Regular Education									
1000 Instruction	27.	23,771		750		20,690	24,521	18.5%	27.
2100 Support Services - Students	28.					0	0		28.
2200 Support Services - Instruction	29.					0	0		29.
Program 100 Subtotal (lines 27-29)	30.	23,771	0	750	0	20,690	24,521	18.5%	30.
200 Special Education									
1000 Instruction	31.					0	0		31.
2100 Support Services - Students	32.					0	0		32.
2200 Support Services - Instruction	33.					0	0		33.
Program 200 Subtotal (lines 31-33)	34.	0	0	0	0	0	0		34.
530 Dropout Prevention Programs									
1000 Instruction	35.					0	0		35.
Other Programs (Specify) _____									
1000 Instruction	36.					0	0		36.
2100, 2200 Support Services - Students/Instruction	37.					0	0		37.
Other Programs Subtotal (lines 36-37)	38.	0	0	0	0	0	0		38.
<b>Total Expenses (lines 30, 34, 35, and 38)</b>	<b>39.</b>	<b>23,771</b>	<b>0</b>	<b>750</b>	<b>0</b>	<b>20,690</b>	<b>24,521</b>	<b>18.5%</b>	<b>39.</b>
<b>Total Classroom Site Projects (lines 13, 26, and 39)</b>	<b>40.</b>	<b>58,100</b>	<b>2,452</b>	<b>750</b>	<b>0</b>	<b>51,725</b>	<b>61,302</b>	<b>18.5%</b>	<b>40.</b>



**FY 2018 SUMMARY OF CHARTER SCHOOL PROPOSED BUDGET**

CTDS Number 138758000

1000 SCHOOLWIDE PROJECT	Totals		% Increase/Decrease
	Prior Year 2017	Budget Year 2018	
100 Regular Education			
1000 Instruction	315,396	277,087	-12.1%
Support Services			
2100 Students	38,760	41,200	6.3%
2200 Instruction	0	0	
2300 General Administration	300	515	71.7%
2400 School Administration	141,208	155,038	9.8%
2500 Central Services	46,100	46,550	1.0%
2600 Operation & Maintenance of Plant	213,076	212,692	-0.2%
2900 Other Support Services	0	0	
3000 Operation of Noninstructional Services	0	0	
4000 Facilities Acquisition & Construction	0	0	
5000 Debt Service	41,691	42,800	2.7%
610 School-Sponsored Cocurricular Activities	0	0	
620 School-Sponsored Athletics	0	0	
630, 700, 800, 900 Other Programs	0	0	
Regular Education Subtotal	796,531	775,882	-2.6%
200 Special Education			
1000 Instruction	35,387	30,100	-14.9%
Support Services			
2100 Students	1,200	0	-100.0%
2200 Instruction	0	0	
2300 General Administration	0	0	
2400 School Administration	0	0	
2500 Central Services	0	0	
2600 Operation & Maintenance of Plant	0	0	
2900 Other Support Services	0	0	
3000 Operation of Noninstructional Services	0	0	
4000 Facilities Acquisition & Construction	0	0	
5000 Debt Service	0	0	
Special Education Subtotal	36,587	30,100	-17.7%
400 Pupil Transportation	20,684	23,446	13.4%
530 Dropout Prevention Programs	0	0	
540 Joint Career & Tech. Ed. & Voc. Ed. Center	0	0	
550 K-3 Reading	0	0	
<b>Total</b>	<b>853,802</b>	<b>829,428</b>	<b>-2.9%</b>

The budget of PACE Preparatory Academy, Inc. for fiscal year 2018 was officially proposed by the Governing Board on June 09, 2017. The complete budget may be reviewed by contacting William Sakelarios at 928-300-5378 or bill@paceacademy.com.

SPECIAL EDUCATION PROGRAMS	Totals		% Increase/Decrease
	Prior Year 2017	Budget Year 2018	
Total All Disability Classifications	36,587	30,100	-17.7%
Gifted Education	0	0	
ELL Incremental Costs	0	0	
ELL Compensatory Instruction	0	0	
Remedial Education	0	0	
Vocational and Technological Ed.	0	0	
Career Education	0	0	
<b>Total</b>	<b>36,587</b>	<b>30,100</b>	<b>-17.7%</b>

EXPENSES BY PROJECT			
	Totals		% Increase/Decrease
	Prior Year 2017	Budget Year 2018	
Schoolwide	853,802	829,428	-2.9%
Classroom Site Projects	51,725	61,302	18.5%
Instructional Improvement	4,459	4,169	-6.5%
ELL Structured English Immersion	0	0	
ELL Compensatory Instruction	0	0	
Federal Projects	34,330	27,858	-18.9%
State Projects	0	0	
Capital Acquisitions	5,000	5,000	0.0%
<b>Total Expenses</b>	<b>949,316</b>	<b>927,757</b>	<b>-2.3%</b>

Page	Reference	Instruction
Cover	General	<p>These instructions are provided to help charter schools prepare the expenditure budget. Within the forms, blue font and light blue highlights indicate that an instruction is linked to that specific line. An instructions button has also been provided that links to any general instructions or to the first instruction for a page. The forms have been set to print without "objects" so that the instructions buttons do not print.</p> <p>The cells in the prior year columns on the budget forms contain formulas that will bring forward budget amounts from the FY 2017 budget forms. However, the cells have not been protected so users may also enter the information manually. To bring forward amounts automatically, the most recently revised FY 2017 budget must be saved as budget17.xls in the C:\CSFORMS folder. If the file is not named budget17.xls, the formulas will not function properly. Excel will ask the user to update information when the budget18.xls file is opened. Users should review amounts reported in the prior year column to ensure they agree to the school's most recently revised FY 2017 budget.</p>
Cover	CTDS Number	<p>This cell will only accept entries of 9 digits. Do not include any slashes, dashes, etc. Enter the school's CTD number plus 3 zeros.</p>
Cover	Version	<p>The version of the budget being submitted on the cover page is formatted with a drop down menu. Select the appropriate choice from the menu: Proposed, Adopted, or Revised (including the revision number). Only choices in the menu may be entered in the cell.</p> <p>All information on the cover page must be completed/updated when the proposed, adopted, or revised budget is printed out for the Governing Board to sign. All information, excluding the Revenue information, must also be updated when the budget is revised.</p>
Cover	Estimated Revenues	<p>Estimated revenues by source for FY 2018 should be based on the best information available at the time the budget is prepared. Estimated revenues may be more or less than estimated expenses.</p>

**Page**

Cover

**Reference**Additional Teacher  
Salary Increase**Instruction**

The members of a school governing board must conduct a separate vote regarding the allocation of monies that it receives pursuant to Laws 2017, Ch. 305, §33, pertaining to the intended 1.06% teacher salary increase. The board must also notify teachers of the scheduled date and time of action of the board for this issue and must transmit a notice of public hearing to ADE for posting on the department's website at least ten days before the hearing. To meet this requirement, the school must include this notice in the notice of public hearing and board meeting to adopt the budget which will be posted on ADE's website. If the school maintains a website the school must also post the notice of the public hearing on its website.

By signing the cover of the budget, the governing board members are attesting that the Budget for FY 2018, including the information on Budget page 2, meets the requirements of Laws 2017, Ch. 305, §33.

**Budget Revision**

After the FY 2017 Annual Financial Report (AFR) is completed and no later than November 1, 2017, schools may revise the calculation on Budget page 2 and Work Sheet C for the amount needed for the intended 1.06% teacher salary increase based on final FY 2017 eligible teacher salaries. To revise the budget for this calculation, schools must again comply with the notice and separate vote requirements. Please refer to the Submission and Publication Requirements document issued with these budget forms for additional information.

1	General	Depreciation expense should not be reported on the budget forms. In addition, purchases of capital assets (land and land improvements, site improvements, buildings and building improvements, equipment, and construction in progress) should not be reported in the budget forms except in the Capital Acquisitions section of page 2.
1	Program 200	Schools with known special education students and programs at the time of budget adoption should budget for expenses in program code 200. Also, budgeted special education expenses in program code 200 should be allocated by program type on page 2. Total budgeted expenses on line 27 should equal total Special Education Programs By Type on page 2, line 8.
1	Program 550	Schools should budget for K-3 Reading Program expenses in program code 550. The State Board of Education must give approval to a school before any portion of the monies generated by the K-3 reading support level weight may be distributed to the school. A.R.S. §15-211, as amended by Laws 2017, Ch. 67, §1.
1	Federal and State Projects, Line 37	The total of federal and state project expenses (project codes 1100 through 1499 from page 2) should be included on line 37. Schools should not include federal and state project expenses with other school wide project expenses on lines 1 through 36.

<b>Page</b>	<b>Reference</b>	<b>Instruction</b>
1	Employee Benefits	Schools participating in the Arizona State Retirement System should budget in object code 6200 at the rate of 11.34% for retirement contributions and 0.16% for long term disability contributions for covered positions. For positions subject to the Alternative Contribution Rate, schools should budget at the rate of 9.36%.
2	Federal and State Projects	Separate accountability is required for each federal and state project. Therefore, charter schools should estimate the expenses for each federal or state project in which the school participates. The totals on line 32 should agree with the total columns for federal and state projects on line 37 of page 1. A.R.S §15-1261 requires charter schools to establish an E-rate Project to account for any E-rate funding received by the school. Monies budgeted for the E-rate Project should be included within the Other Federal Projects on line 17.
2	College Credit Exam Incentives	Schools that receive monies from the college credit by examination incentive program per A.R.S §15-249.06, should deposit them in Project 1456—College Credit Exam Incentives. At least 50% of the bonus monies received from this program must be distributed to the classroom teacher for each student who passes a qualifying exam. The remainder of any bonus monies received from this program may be used for teacher professional development or student instructional support or materials.
2	Results-based Funding	Schools that receive monies from the Results-based Funding Project per A.R.S §15-249.08, as added by Laws 2017, Ch. 304, §3, should deposit them in Project 1457—Results-based Funding. Monies received must be allocated directly to enhance, expand or replicate the school site that generated the results-based funding and should not supplant monies budgeted or received from any other source that are generally provided to that school. The majority of the monies received must be used for teacher salaries, to hire teachers and to provide for teacher professional development. A portion of the monies received may be used for the expansion and replication of that school site as a quality school model. The monies must be used to sustain and replicate results, to serve more students on a waiting list at a school with a letter grade designation of A or B and to increase salaries for teachers, other classroom staff and school leaders closing the achievement gap in high-poverty schools.
2	Capital Acquisitions	<p>Enter the increase in the capital asset accounts (land and land improvements, site improvements, buildings and building improvements, equipment, and construction in progress) for assets to be acquired by purchase, lease purchase, or construction.</p> <p>If the school budgets for capital acquisitions related to the K-3 Reading Program, the increase in the capital asset accounts for those acquisitions should be included by asset type on lines 1 through 5. The total of all capital acquisitions for the K-3 Reading Program should also be reported on line 7.</p>



<b>Page</b>	<b>Reference</b>	<b>Instruction</b>
2	Special Education Programs by Type	Schools budgeting for special education expenses in program code 200 on page 1, lines 16-26 should report amounts allocated by program type on page 2. Supporting documentation should be retained for the allocation of expenses budgeted for individual special education programs.
2	Special Education Programs by Type, Line 1	Schools should budget total expenses for the disability classifications defined in A.R.S. §15-761.
2	Special Education Programs by Type, Line 8	Program 200 Prior Year and Program 200 Budget Year column totals should equal line 27 on pg. 1.
2	Selected Expenses by Type	Audit services expense should be the total audit costs to be incurred during the budget year.  Classroom instruction expenses should be the total of expenses budgeted in function code 1000 for program codes 100, 200 and 500 for the budget year.
2	State Equalization Assistance Budgeted for Food Service Expenses	Schools participating in the National School Lunch Program are required to spend a portion of their state equalization assistance to support the operation of their food service program. Schools must report on their budget the amount of state equalization assistance that will be expended for their food service program during the 2018 school year. This amount will be used to determine school compliance with state matching requirements pursuant to CFR Title 7, §210.17(a). ADE's Health and Nutrition Services will verify the amount reported on the budget was reported as spent when schools' annual financial reports are submitted. Any questions related to state matching requirements should be directed to Health and Nutrition Services at (602) 542-8700.
2	Instructional Improvement Project	See USFRCS page III-B-1 for guidance on the use of the Instructional Improvement Project (Project 1020).
2	Instructional Improvement Project, Lines 3 and 4	Instructional Improvement Project monies spent for Dropout Prevention programs and Instructional Improvement Programs must be spent for maintenance and operation purposes only.

## Page

## Reference

## Instruction

2

Additional Teacher  
Salary Increases

In accordance with Laws 2017, Ch. 305, §33, ADE will allocate \$34,000,000 to school districts and charter schools with the intention of increasing, by 1.06%, the salary of each teacher who taught at an Arizona school district or charter school during FY 2017 and who will be teaching at a school district or charter school in FY 2018. The salary increase must supplement and not supplant any salary increase that the school would have provided to the teacher for FY 2018, prior to this allocation.

### Budget Revision

After the FY 2017 AFR is completed and no later than November 1, 2017, schools may revise the calculation on Budget, Page 2 and Work Sheet C to reflect changes in eligible teacher counts and salaries reported including final FY 2017 teacher salaries for eligible teachers as reported in the FY 2017 AFR.

If the budget calculation is not revised, ADE will use the calculation on the adopted budget to determine the amounts to allocate to each district and charter school by December 1, 2017. Documentation for all amounts used in the calculation should be retained for audit purposes and any audit findings related to the calculation could result in an adjustment to the funding provided for the teacher salary increase.

2

Additional Teacher  
Salary Increases, Line 1

Schools should include any person who was eligible to be included in the year-end full-time equivalent (FTE) teacher count on Page 7 of the AFR of any Arizona school district or charter school in FY 2017 and who teaches at the school during FY 2018. This number is a count of all eligible teachers, it is not an FTE. Do not include purchased services personnel or substitute teachers. This should be limited to employees whose salary is appropriately coded in Function 1000—Instruction. Schools should maintain adequate documentation to support that each teacher included met the eligibility requirements.

2

Additional Teacher  
Salary Increases, Line 2

Schools should include the same eligible teachers as described above, as an FTE.

2

Additional Teacher  
Salary Increases, Line 3

Schools should include the FY 2018 salary amount, including base salaries, Classroom Site Project Performance Pay, overtime, and additional compensation, of all teachers included in the eligible teacher count on line 1, **before** the intended 1.06% salary increase that are appropriately coded in Function 1000—Instruction. This amount should include any additional salary increase that schools would have provided to eligible teachers for FY 2018, apart from the intended 1.06% salary increase. This salary amount should be consistent with the amounts reported in the AFR, Page 7, Teacher Salaries table for eligible teachers.

Page	Reference	Instruction
2	Additional Teacher Salary Increases, Line 4	Schools should include the FY 2017 salary amount, including base salaries, Classroom Site Project Performance Pay, overtime, and additional compensation, of all teachers included in the eligible teacher count on line 1 that are appropriately coded in Function 1000—Instruction. This includes teachers that were employed at a different Arizona school district or charter school in FY 2017. Schools should maintain adequate documentation to support the prior year salary amounts included for each eligible teacher, including those that taught at a different Arizona school or district. This salary amount should be consistent with the amounts reported in the AFR, Page 7, Teacher Salaries table for eligible teachers.
2	Additional Teacher Salary Increases, Line 6	Schools will receive the amount of funding needed to pay the employer share of increases in employee-related expenses for the Arizona State Retirement System (ASRS) or other employee retirement systems. Schools should calculate the retirement expenses for ASRS eligible employees using the current years' ASRS contribution rate of 11.5%. Schools that employ eligible teachers in positions that require the school to make an alternative contribution to ASRS should include the cost of that retirement contribution at a rate of 9.36% related to the salary increase for those employees. Schools that employ eligible teachers that participate in other retirement systems should include the actual retirement contribution costs not to exceed the ASRS contribution rate related to the salary increase.
2	Additional Teacher Salary Increases, Line 7	Schools will also receive the amount of funding needed to pay the employer share of related increases in employee-related expenses for the federal insurance contribution act (FICA). This amount is calculated based on the current year FICA rate of 7.65%.
2	Additional Teacher Salary Increases, Line 8	This amount will be added to schools' base support level for FY 2018 on Work sheet C, line X.
3	Classroom Site Project	Schools receive revenues from the Classroom Site Fund each year. A.R.S. §15-977(G)(1) requires the Joint Legislative Budget Committee to calculate an estimated per pupil amount each year. For FY 2018 the estimated cash payment is \$386.00 per “Group A weighted” pupil (Total of Work sheet B, line I.A.4 and Work sheet B.2 lines I.A.3 and III.A.3).
4	Structured English Immersion Project	See USFRCS page III-B-1 and USFRCS Memorandum No. 44 for additional guidance on the use of See USFRCS page III-B-2 for guidance on the use of the Structured English Immersion Project (Project 1071). In order to efficiently record structured English immersion expenses, schools should be using program code 260, Special Education—ELL Incremental Costs and Program 430, Pupil Transportation—ELL Incremental Costs, as applicable.

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4

**Reference**Compensatory  
Instruction Project**Instruction**

See USFRCS page III-B-2 for guidance on the use of the Compensatory Instruction Project (Project 1072). In order to efficiently record structured English immersion and compensatory instruction expenses, schools should be using program codes 265, Special Education—ELL Compensatory Instruction and Program 435, Pupil Transportation—ELL Compensatory Instruction, as applicable.

[Budget  
Summary](#)

General

The information on the Budget Summary is self-populating and will be automatically brought forward from the other pages of the Budget.